

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER RAPER
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: NEIL PRICE
DEPUTY ATTORNEY GENERAL

DATE: FEBRUARY 20, 2015

SUBJECT: ROCKY MOUNTAIN POWER'S APPLICATION FOR AUTHORITY TO INCREASE RATES BY \$10.7 MILLION TO RECOVER DEFERRED NET POWER COSTS THROUGH THE ENERGY COST ADJUSTMENT MECHANISM (ECAM), CASE NO. PAC-E-15-01

On February 2, 2015, PacifiCorp dba Rocky Mountain Power ("Rocky Mountain" or "Company"), submitted its annual Energy Cost Adjustment Mechanism ("ECAM") filing in accordance with *Idaho Code* §§ 61-502 and 61-503 and Rule of Procedure 52. The Company requests an effective date of April 1, 2015. Rocky Mountain requests that this matter be processed through Modified Procedure.

On February 12, 2015, the Commission issued a Notice of Application and Intervention Deadline. *See* Order No. 33228. Subsequently, the Commission has received Petitions to Intervene as a party in this case from Monsanto Company ("Monsanto") and PacifiCorp Idaho Industrial Customers ("PIIC").

THE APPLICATION

Rocky Mountain is requesting a Commission Order approving the recovery of total deferred net power costs of \$16.6 million for the period beginning December 1, 2013 through November 3, 2014 ("Deferral Period"). *Application* at 1. Rocky Mountain's Application seeks to revise Schedule 94, Energy Cost Adjustment, to recover approximately \$23.3 million in total deferred net power costs over the collection period beginning April 1, 2015 through March 31, 2016. *Id.* The proposed \$23.3 million recovery represents an increase of approximately \$10.7 million from current Schedule 94 rates, as approved in Order No. 33008 (Case No. PAC-E-14-

01). *Id.* The Company states further that the \$23.3 million recovery amount includes an amortization of Monsanto Company's ("Monsanto") and Agrium Inc.'s ("Agrium") share of 2012-2014 deferrals. *Id.* The combined amortization of the amounts for the three ECAM deferral periods resulted in tariff surcharge rates in this case of approximately \$12.7 million and \$1.0 million, respectively, for Monsanto and Agrium as their share in the Deferral Period. *Id.* at 5.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Modified Procedure and a Notice of Schedule in this case?

Neil Price
Neil Price
Deputy Attorney General

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